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INFO RUEHEE/ARAB LEAGUE COLLECTIVE
RUCPDO/DEPT OF COMMERCE WASHDC
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UNCLAS AMMAN 002614

SENSITIVE
SIPDIS

STATE FOR NEA/ELA, EEB, and NEA/RA (MKELLY)
COMMERCE FOR BIS/OIC
STATE PASS USTR

E.O. 12958: N/A

TAGS: [ECON](#) [ETRD](#) [PREL](#) [KBCT](#) [JO](#)

SUBJECT: Jordan Does Not Participate in or Cooperate with Arab
League Boycott of Israel

Refs: A) STATE 120272
B) STATE 118797
D) 08 AMMAN 1992
C) 08 AMMAN 1614

¶1. (U) The Government of Jordan (GOJ) does not participate in any form or cooperate in any way with the Arab League Boycott or other international boycotts of Israel. Jordan signed a peace treaty with Israel in 1994, after which the Jordanian parliament enacted legislation ending economic boycotts of Israel. In October 1995, Jordan and Israel signed a Trade Agreement that built on the peace treaty's provisions on trade whereby the two countries decided to work towards removing trade barriers, economic discrimination, and the boycott of goods. Since then, bilateral trade between the two countries grew from \$10 million in 1996 to about \$374 million in ¶2008.

¶2. (U) In 1996, Jordan preceded Egypt in concluding a Qualifying Industrial Zone (QIZ) agreement with the United States, under which Jordanian goods made with a specified percentage of Israeli input enjoy duty- and tariff-free entry to the United States. In 2002, the government of Jordan ordered the dissolution of trade union agencies that oppose normalization of ties with Israel. In 2004, amid protests, Jordan and Israel decided to remove remaining trade barriers by signing a new trade deal that paved the way for Israel's first free trade agreement with an Arab state. As a result of the agreement more than 80% of Jordan's exports to Israel and more than 50% of Israel's exports to Jordan will be exempt from duties by ¶2010.

¶3. (SBU) Despite the official GOJ position, there are regular anti-normalization activities undertaken by opposition parties, Islamists, and professional associations that repeatedly call for cutting ties with Israel and abolishing the peace treaty (refs C and D). One recent example was a letter sent by an anti-normalization committee comprised of opposition parties, Islamists, and professional associations to Prime Minister Nader al-Dahabi in September 2009 urging the government to stop exporting olives to Israel, as those exports amounted to an "act of normalization" with Israel. In July 2009, opposition members protested against the importation of Israeli fruits and vegetables. To break up the demonstration, Jordanian police arrested 11 people including union leaders. While produce from Israeli settlements in the West Bank are not allowed into Jordan, fruits and vegetables from Israel are imported to Jordan. However, individual sellers often remove origin stickers from the products after they enter the country or otherwise hide the origin of the product. Such acts do not represent GOJ policy.

¶4. (U) Much to the dismay of Jordanian officials, professional associations also often adopt policies that ostracize, formally as well as informally, members who have contacts with Israel or Israelis. Some associations threaten to expel members who refuse to

adhere to anti-normalization sentiments. The King on several occasions called on associations to focus on professional issues and not to interfere with politics.

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